

2005-2006 PERFORMANCE PLAN – SENIOR INVESTMENT OFFICER, ALTERNATIVE INVESTMENTS (Shahinian)

Quantitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	3rd Quarter Status Report
10%	Total Fund Performance	Excess return in basis points relative to total fund performance benchmark. (SJ1C – CPERSTOT)	-40 basis points = 0 0 basis points = 1.0 +20 basis points = 1.5	+136 [12.69-11.33]
55%	AIM Program Performance vs. AIM Benchmark	Total AIM portfolio investment performance vs. Venture Economics young fund median return benchmark for measured time period. Identifiers: N/A – performance and benchmark compiled quarterly by Wilshire	Median = 0 Median +150 = 1 Median +250 = 1.5	Above target. Aggregate Excess returns: +1661 basis points
5%	Absolute Return Strategies Program	Return relative to program policy Identifiers: SNLCA1 – Total ARS Program CPERHEDG – Total ARS Program blended index	0 basis points = 0 +50 basis points = 1.0 +100 basis points = 1.5	Above target Aggregate excess return: +634 basis points
70%	Subtotal	Quantitative Measures		

Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	3rd Quarter Status Report
15%	AIM Priorities	By June 30, 2006, adopt recommendations as a result of the AIM strategic review.	From Schedule	On target for completion.

2005-2006 PERFORMANCE PLAN – SIO, ALTERNATIVE INVESTMENTS – (Shahinian) Continued

Qualitative Performance Measures - continued

Weight	Factor	Performance Measure	Incentive Schedule	3rd Quarter Status Report
5%	AIM Priorities	Strengthen partner communication by initiating and hosting 2 focused roundtable networking sessions by June 30, 2006. Obtain an average satisfaction rating of 8 on a scale of 10 from participant evaluations.	From Schedule	On target for completion. The first roundtable was held in Q2. The second roundtable is scheduled for June 23 rd .
5%	Diversity Plan	Implement all elements of the enterprise wide diversity plan that relate to the responsibilities of the investment office by June 30, 2006.	From Schedule	On target for completion
5%	Annual Plan	Gain approval of the AIM Annual Plan by the Investment Committee by June 30, 2006.	From Schedule	Refer to change order
30%	Subtotal	Qualitative Measures		
100%	Total	Quantitative and Qualitative Measures		

Supervisor's Approval: Original signed by Anne Stausboll

Date: April 25, 2006

INCENTIVE PLAN CHANGE TEMPLATE

Name: Leon Shahinian

Position: SIO – Alternative Investments

Part C (Modification of Performance Measure)

Recommend the Performance Measure(s) listed below be modified as indicated:

Description in Current Incentive Plan:

Weight	Factor	Performance Measure	Incentive Schedule	Quarterly Status Report Column
5%	Annual Plan	Gain approval of the AIM Annual Plan by the Investment Committee by June 30, 2006.		

Proposed description (changes shown in **bold**):

Weight	Factor	Performance Measure	Incentive Schedule	Quarterly Status Report Column
5%	Annual Plan	By 6/01/06 , submit to CIO the Fixed Income Annual Plan for FY 2006/07		

Reason for proposed change: Due to the departure of Mark Anson and the anticipated CIO start date of June 1, 2006, annual plans will be submitted to the new CIO for review and approval. Presentation of Annual Plans to IC is anticipated in 3rd quarter of 2006

Supervisor's Approval: Original signed by _____

Date: _____